

Helping Hands: An Assessment of the Personal Care Aide Workforce in Nevada



Personal care aides provide non-medical supports to help seniors and individuals with disabilities stay in their homes

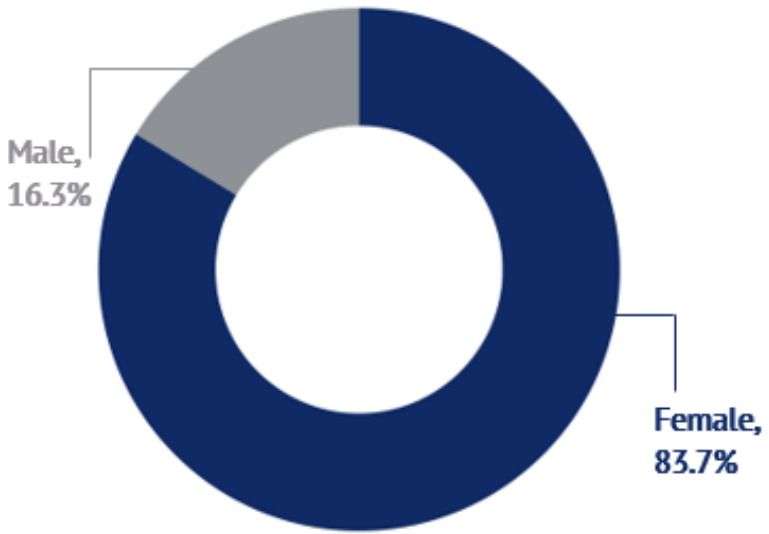
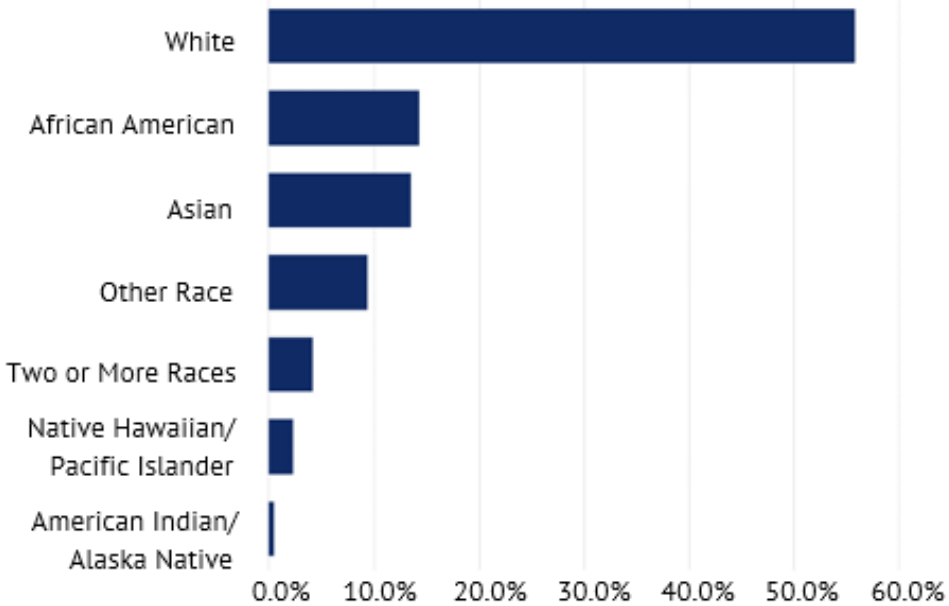
1 Activities of Daily Living (ADLs)

- Bathing
- Dressing
- Grooming
- Toileting
- Transferring/positioning
- Mobility/ambulation
- Eating

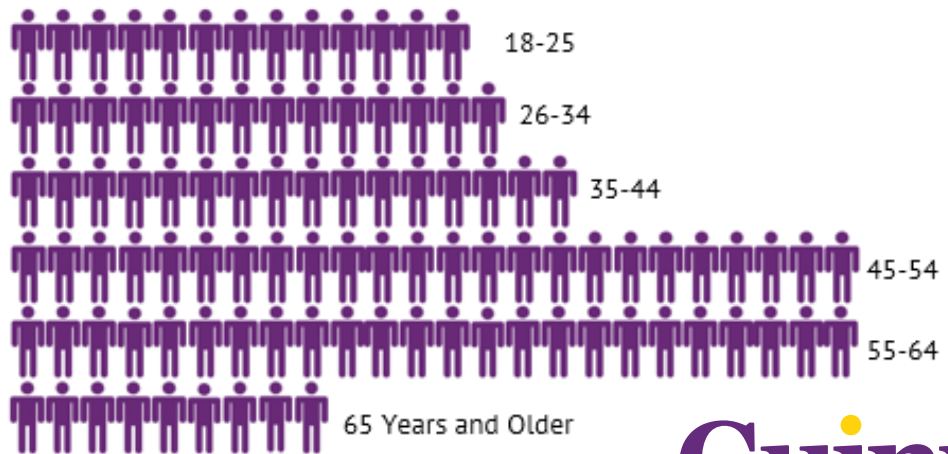
2 Instrumental Activities of Daily Living (IADLs)

- Light housekeeping
- Laundry
- Essential shopping
- Meal preparation

Nevada's PCAs are disproportionately older middle-aged adults, women, and people of color



Nearly one in two personal care aides are aged 45 to 64 (48.7 percent). Nevada's PCA workforce is mostly female. More than one-half of all PCAs are white, but African Americans/Asians are disproportionately represented relative to their population shares. One-quarter of Nevada's PCAs are Latino. Women of color make up 35.2 percent of the PCA workforce in Nevada.



PCA wages are low in Nevada because of reimbursement rates

Medicaid is the primary public payer for long-term care services.

Its reimbursement rates set the ceiling for what personal care aides are paid, ultimately depressing wages even for those working in the private pay market.

Reimbursement Rate History

October 2003: Set at \$17.00/hour

↑ July 2006: \$17.76/hour

↑ July 2007: \$18.52/hour

↓ July 2009: \$17.00/hour

↑ January 2020: \$17.56/hour

↓ August 2020: \$16.52/hour

- The rate decrease in July 2009 was a return to its 2003 level – and was in place for 10 ½ years
- The \$17.56/hour rate effective in January 2020 was below that set in July 2006
- The August 2020 rate of \$16.52/hour is the **lowest in roughly 17 years** – part of budget cuts to address a \$1.2B shortfall for State Fiscal Year (FY) 2021
- If the October 2003 reimbursement rate kept pace with inflation, it would have increased to \$23.81/hour in July 2020

Nevada's PCAs face many challenges, and there are consequences for the workforce

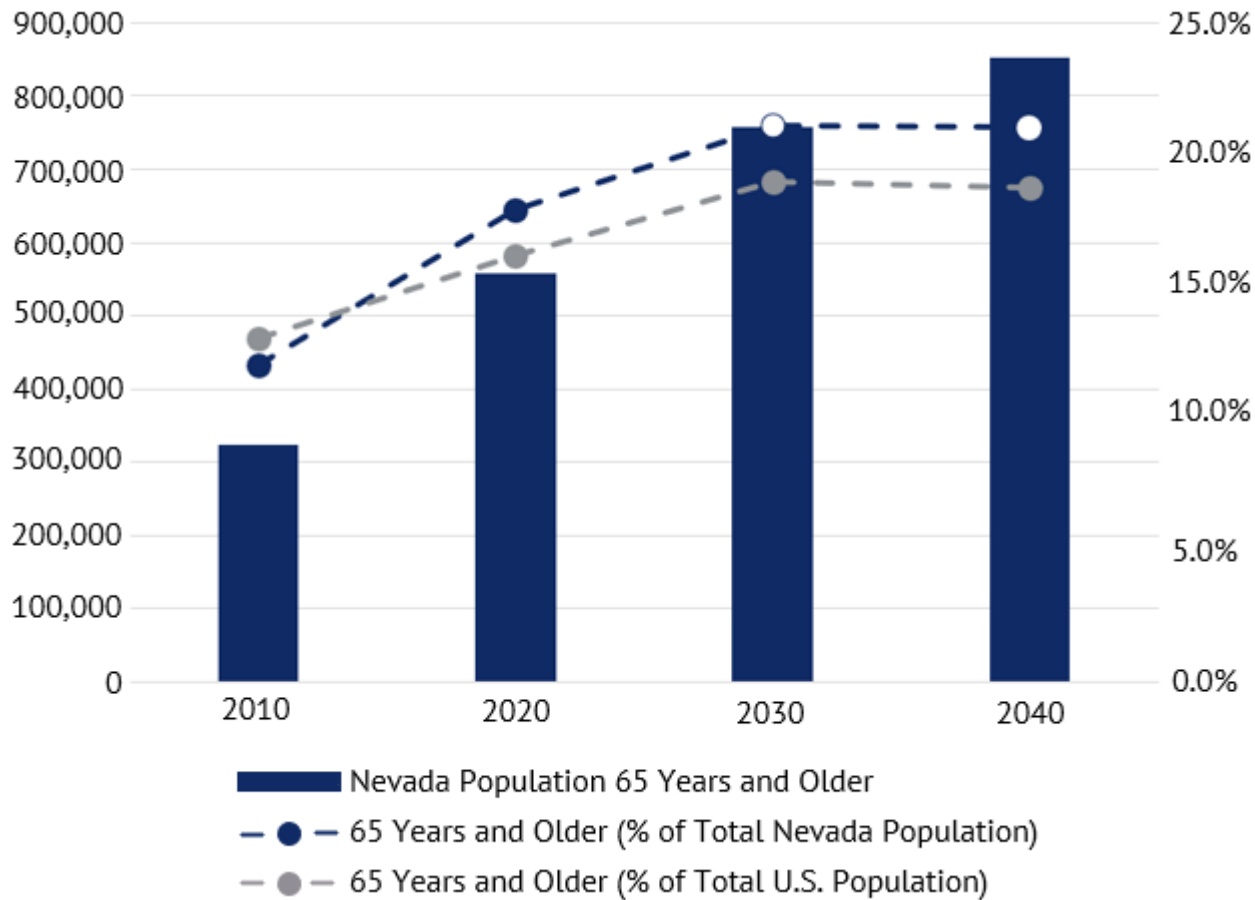
1 Challenges:

- ❑ Low-paying jobs
- ❑ Irregular hours
- ❑ Minimal training
- ❑ Insufficient supplies (PPE)
- ❑ Health care access issues
 - ✓ Roughly one in five PCAs is uninsured (19.9 percent)
 - ✓ Nearly one-third of PCAs are enrolled in Medicaid (32.0 percent)

2 Consequences:

- ❑ High turnover
- ❑ No career pathways
- ❑ Career exits to higher-paying jobs in leisure/hospitality or distribution/fulfillment centers
- ❑ Trade-offs for those who don't exit, exacerbated by COVID-19, e.g., stay home if ill but leave clients without care and/or potentially risk job loss

Nevada could be on the verge of a “care gap”



- More than one in five Nevadans (21.0 percent) will be a senior citizen by 2040 – with a projected 163.0 percent increase in the population aged 65 years and older between 2010 and 2040, **Nevada is ranked 1st** in the percent change of this age cohort over time
- In 2018, 13,130 Nevadans were employed as PCAs
- Nevada would need to add 10,754 personal care aides to its workforce to keep up with expected demand by 2040
- BUT**, the number of PCAs in Nevada is expected to remain flat as: (1) its high concentration of individuals currently working as PCAs are older middle-aged adults, who may exit the workforce as they begin to need care themselves; (2) the female labor is shrinking; and (3) at current levels, wages are too low for PCAs to make ends meet
- Were demand to outstrip supply, Nevada would be confronting a “care gap”